

FIG. 1

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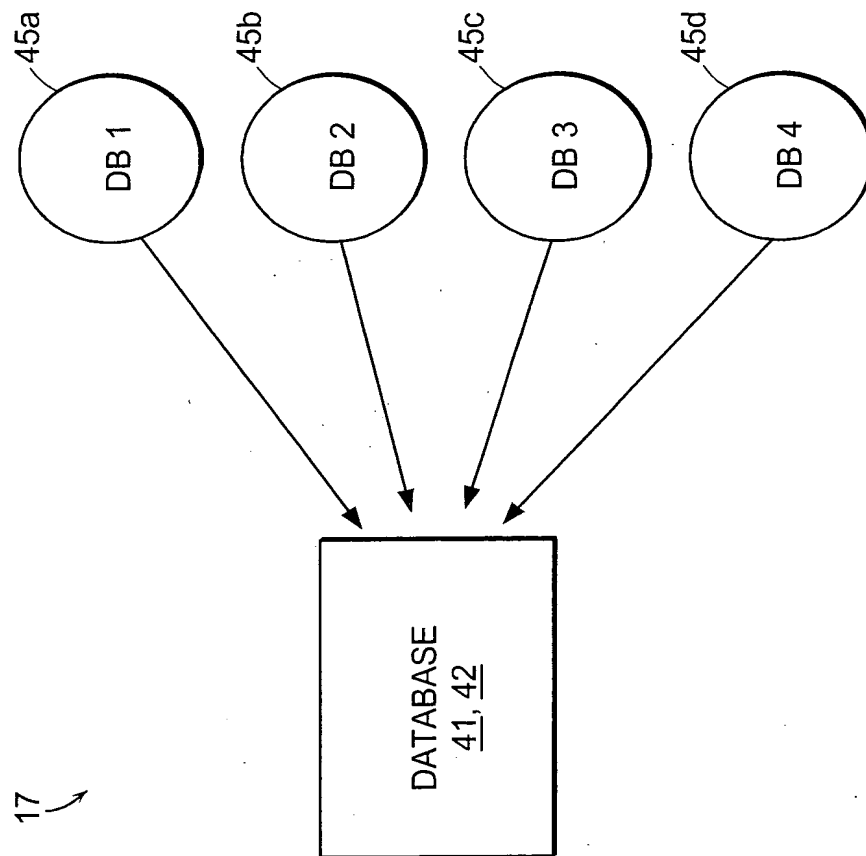


FIG. 2

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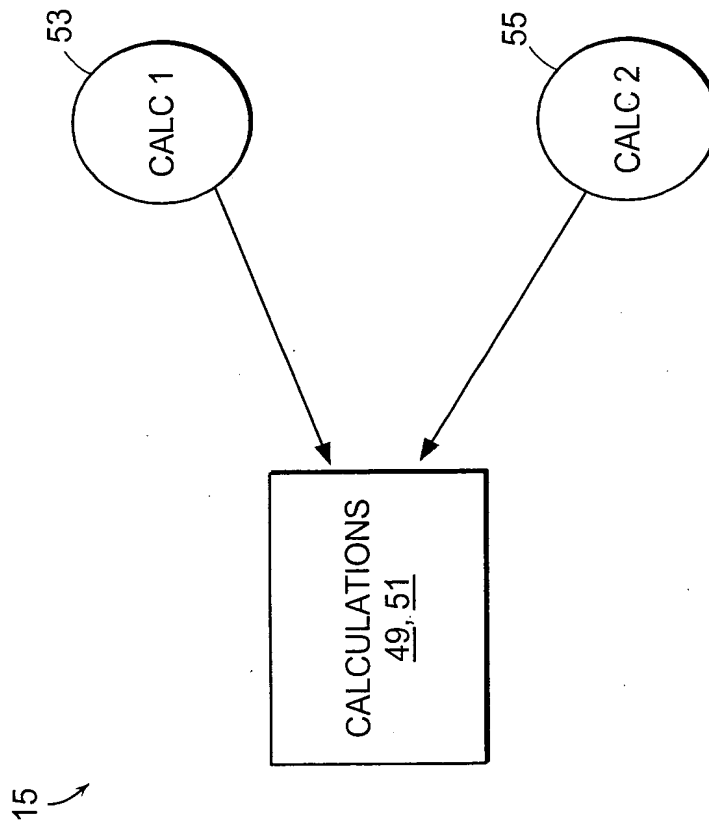


FIG. 3

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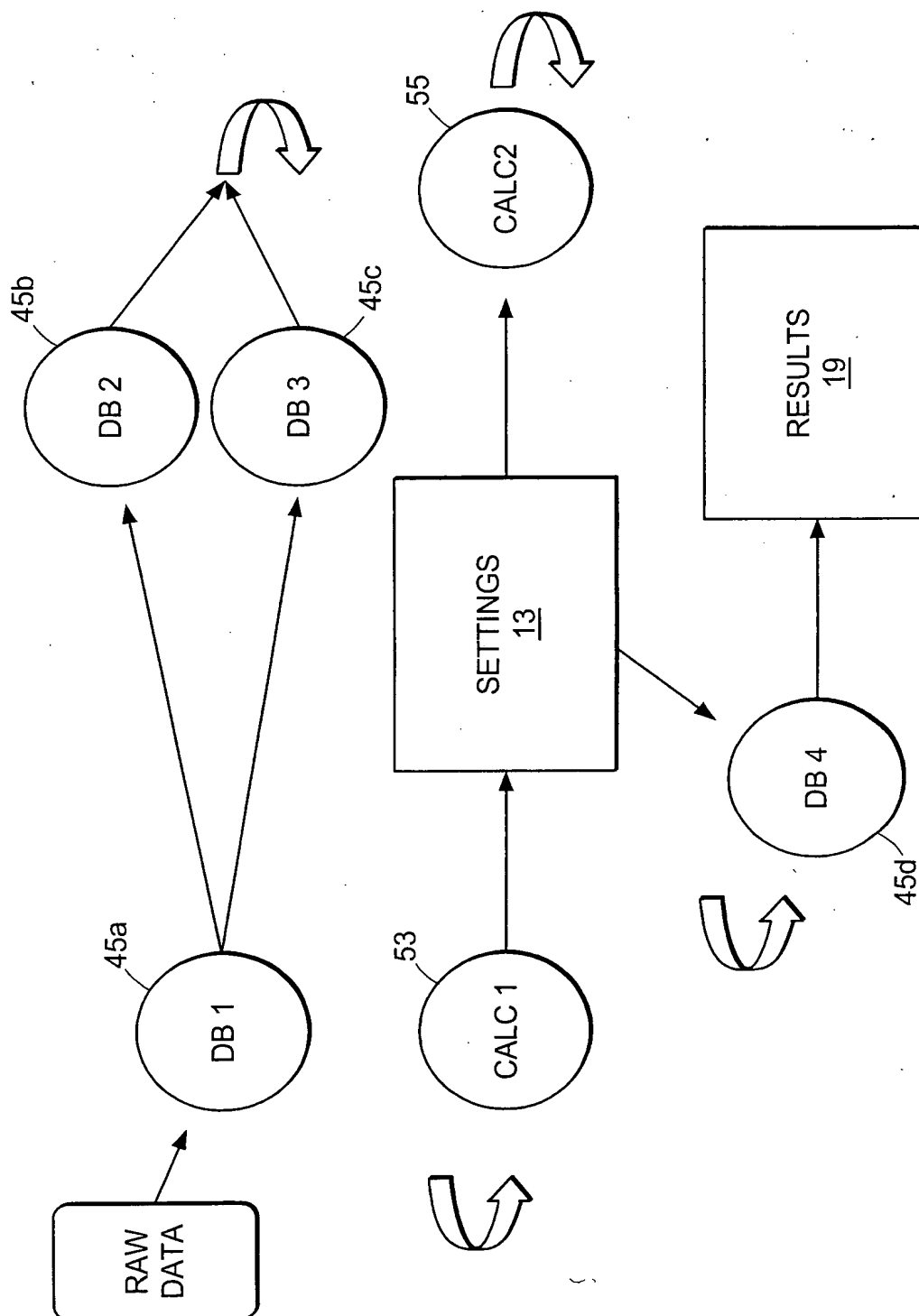


FIG. 4

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Intervals

25 ↘

29

27 ↘

31 ↘

Threshold

Type

ABS DIFF 12.7735%
CORREL 0.6388

1. Reenerg.
Interval

2. Adj.
Interval

3. Trans.
Interval

I. Prediction

A. Key Business Parameters

1. Mkt Share/Revenue Ratio
2. Asset Intensity (Asset/Rev Ratio)
3. Change in Profitability

B. Funding Strategy / Risk

1. Company Beta
2. Debt/Equity Ratio
3. Creditworthiness
4. Cash Flow/Revenue Ratio

C. Market

1. Relative Market Share
2. Change in Market Share
3. Relative Elasticity of Demand

Low
High
Zero

Medium
High
Low
Low
Low

Medium
Zero
High

Medium
Incr.
Medium

High
Low
Decl.
Low

High
Low
Medium
Medium

Percentile
Percentile
Percentile

Percentile
Percentile
Percentile
Percentile

Percentile
Percentile
Percentile

II. Actual

A. Business Structure

1. Business Mix
2. Business Age
3. Number of Divisions
4. Number of SIC Industries

B. Business Strategy

1. R&D Investment
2. Acquisition Strategy
3. Strategic Intent

Low
High
Low
Low

Low
N/A
N/A

Low
N/A
N/A

High
N/A
N/A

High
Low
N/A
N/A

High
Low
N/A
N/A

Percentile
Fixed
Percentile
Percentile

Percentile
N/A
N/A

List of Arguments For This Table

High
Incr.
N/A

Medium
Zero
N/A

Percentile
Fixed
N/A

FIG. 5A

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	A	B	C	D	E	F	G	H	I
1	Conversion								
2	Do Not Change								
3	1. Reenerg.								
4	Interval								
5	2. Adj.								
6	Interval								
7	3. Trans.								
8	Interval								
9	Threshold								
10	Type								
11	I. Prediction								
12	A. Key Business Parameters								
13	1. Mkt Share/Revenue Ratio								
14	2. Asset Intensity (Asset/Rev Ratio)								
15	3. Change in Profitability								
16	B. Funding Strategy / Risk								
17	1. Company Beta								
18	2. Debt/Equity Ratio								
19	3. Creditworthiness								
20	4. Cash Flow/Revenue Ratio								
21	C. Market								
22	1. Relative Market Share								
23	2. Change in Market Share								
24	3. Relative Elasticity of Demand								
25	II. Actual								
26	A. Business Structure								
27	1. Business Mix								
28	2. Business Age								
29	3. Number of Divisions								
30	4. Number of SIC Industries								
31	B. Business Strategy								
32	1. R&D Investment								
33	2. Acquisition Strategy								
34	3. Strategic Intent								

FIG. 5B

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32 ↗

	A	B	C	D	E	F	G	H
1	General Arguments		Arguments for Prediction		Arguments for Actual		Arguments for Threshold	
2								
3								
4	Bottom	1	Decl.	1	Decl.	1	Fixed	2
5	Extra	4	High	3	High	3	N/A	9
6	Middle	2	Incr.	3	Incr.	3	Percentile	1
7	N/A	9	Low	1	Low	1		
8	Top	3	Medium	2	N/A	9		
9			Zero	2				
10								
11								
12	If any of these arguments change, each list has to be sorted alphabetically by name in ascending order.							
13								
14								
15								

FIG. 5C

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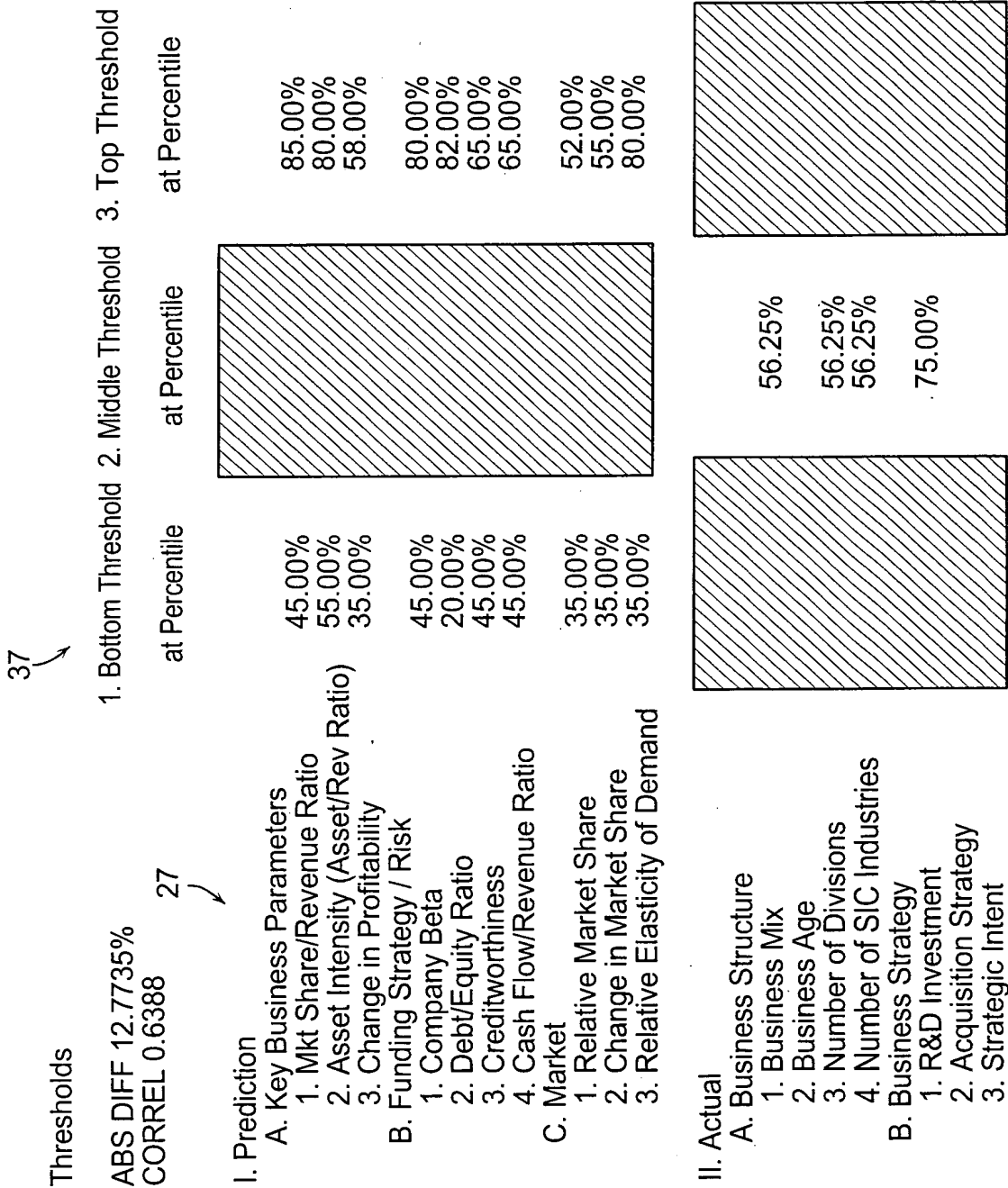
SAMPLE FROM SETTINGS

Scoring	35 ↗	29		
		1. Reenerg	2. Adj	3. Trans.
ABS DIFF 12.7735%	27 ↘	Score	Score	Score
Correl 0.6388				
I. Prediction				
A. Key Business Parameters				
1. Mkt Share/Revenue Ratio		100.00	100.00	100.00
2. Asset Intensity (Asset/Rev Ratio)		25.00	25.00	25.00
3. Change in Profitability		100.00	100.00	100.00
B. Funding Strategy / Risk				
1. Company Beta		100.00	100.00	100.00
2. Debt/Equity Ratio		125.00	125.00	125.00
3. Creditworthiness		25.00	25.00	25.00
4. Cash Flow/Revenue Ratio		25.00	25.00	25.00
C. Market				
1. Relative Market Share		200.00	200.00	200.00
2. Change in Market Share		150.00	150.00	150.00
3. Relative Elasticity of Demand		0.00	0.00	0.00
II. Actual				
A. Business Structure				
1. Business Mix		0.00	75.00	100.00
2. Business Age		0.00	0.00	
3. Number of Divisions		25.00	25.00	
4. Number of SIC Industries		25.00	25.00	
B. Business Strategy				
1. R&D Investment		0.00	0.00	100.00
2. Acquisition Strategy		112.50	75.00	112.50
3. Strategic Intent		75.00	150.00	150.00

FIG. 5D

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SAMPLE FROM SETTINGS



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	A	B	C	D	E	F	G	H
1	Thresholds							
2	1. Bottom Threshold 2. Middle Threshold 3. Top Threshold							
3	ABS DIFF 12.7735%							
4	CORREL 0.6388							
5	Fixed							
6	Fixed							
7	6.00%							
8	I. Prediction							
9	A. Key Business Parameters							
10	1. Mkt Share/Revenue Ratio							
11	2. Asset Intensity (Asset/Rev Ratio)							
12	3. Change in Profitability							
13	B. Funding Strategy / Risk							
14	1. Company Beta							
15	2. Debt/Equity Ratio							
16	3. Creditworthiness							
17	4. Cash Flow/Revenue Ratio							
18	C. Market							
19	1. Relative Market Share							
20	2. Change in Market Share							
21	3. Relative Elasticity of Demand							
22	II. Actual							
23	A. Business Structure							
24	1. Business Mix							
25	2. Business Age							
26	3. Number of Divisions							
27	4. Number of SIC Industries							
28	B. Business Strategy							
29	1. R&D Investment							
30	2. Acquisition Strategy							
31	3. Strategic Intent							
32								
33								
34								

FIG. 5F

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	A	B	C	D	E	F	G	H	I	J	K
1	Factors & Strategies										
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
16											
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25											
26											
27											
28											
29											
30											
31											
32											
33											
34											

1. Reenerg. 2. Adj. 3. Trans.

- I. Prediction
- A. Key Business Parameters
1. Mkt Share/Revenue Ratio
 2. Asset Intensity (Asset/Rev Ratio)
 3. Change in Profitability
- B. Funding Strategy / Risk
1. Company Beta
 2. Debt/Equity Ratio
 3. Creditworthiness
 4. Cash Flow/Revenue Ratio
- C. Market
1. Relative Market Share
 2. Change in Market Share
 3. Relative Elasticity of Demand
- II. Actual
- A. Business Structure
1. Business Mix
 2. Business Age
 3. Number of Divisions
 4. Number of SIC Industries
- B. Business Strategy
1. R&D Investment
 2. Acquisition Strategy
 3. Strategic Intent

FIG. 5G

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SAMPLE WORKSHEET FROM "DATABASE" WORKBOOK

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	3	Com Corporation	1 Fortune Fastest Growth (5 yrs) ABS DIFF 21.83% Analyze yes												P
2			45b												
3	I. Prediction	27	DB 2	Value	Interval	1. Reenerg.	2. Adj.	3. Trans.	DB 4						
4	A. Key Business Parameters								29						
5	1. Mkt Share/Revenue Ratio			-455.14%	Low	100									
6	2. Asset Intensity (Asset/Rev Ratio)			0.78	Low			25							
7	3. Change in Profitability			-0.010	Decl.			100							
8	B. Funding Strategy / Risk														
9	1. Company Beta			0.01	N/A			125							
10	2. Debt/Equity Ratio			1.50	Low										
11	3. Creditworthiness			0.20	High			25							
12	4. Cash Flow/Revenue Ratio				High			25							
13	C. Market														
14	1. Relative Market Share			0.34	Medium	200		150							
15	2. Change in Market Share			-29.54%	Decl.										
16	3. Relative Elasticity of Demand			3.00	Medium										
17	Growth Strategy														
18															
19															
20															
21															
22															
23	II. Actual	27	DB 3	Value	Interval	1. Reenerg.	2. Adj.	3. Trans.							
24	A. Business Structure														
25	1. Business Mix			102.45%	High		75	100							
26	2. Business Age			21.00	High			56.25							
27	3. Number of Divisions			4.00	High		25	63							
28	4. Number of SIC Industries			2.00	Low	25									
29	B. Business Strategy														
30	1. R&D Investment			11.01%	High										
31	2. Acquisition Strategy					25	38	100							
32	3. Strategic Intent						38	63							
33	Growth Strategy														
34															
35															
36															
37															
38															

FIG. 6A

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SAMPLE WORKSHEET FROM "DATABASE" WORKBOOK

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
39																
40																
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76																

FIG. 6B

1998

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SAMPLE FROM CALCULATIONS

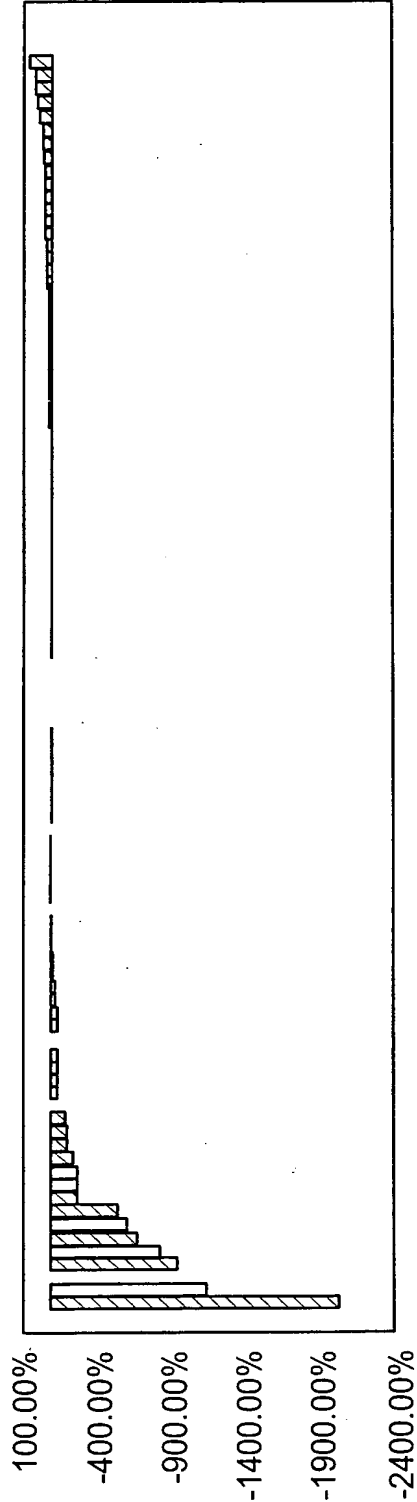
51a

	A	B	C	E	G	H	I	J	K	L
1	1. Mkt Share/Revenue Ratio 53									
2				Calc 1						
3	Factor/Company									
4	A. Key Business Parameters				FALSE	RAVISENT	Neurocrine	FALSE	The Walt netGuru, Inc.	
5	1. Mkt Share/Revenue Ratio				57					
6					FALSE	-1975.11%	-1054.61%	FALSE	-858.22%	-786.75%
7	Calc 2									
8	Interval				55	N/A	Low	N/A	Low	Low
9										
10										
11	Strategy	Interval	Type	From =>	To <	Analysis:				
12										
13	1. Reenerg.	Low	Percentile	NEG INF	-3.43%	59				
14	2. Adj.	Medium	Percentile	-3.43%	50.45%					
15	3. Trans.	High	Percentile	50.45%	POS INF					
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26										
27										
28										
29										
30										
31										
32										

Category	Value (%)
1	100.00
2	-100.00
3	-200.00
4	-300.00
5	-400.00
6	-500.00
7	-600.00
8	-700.00
9	-800.00
10	-900.00
11	-1000.00
12	-1100.00
13	-1200.00
14	-1300.00
15	-1400.00
16	-1500.00
17	-1600.00
18	-1700.00
19	-1800.00
20	-1900.00
21	-2000.00
22	-2100.00
23	-2200.00
24	-2300.00
25	-2400.00

Company

FIG.



Company

FIG. 7A

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SAMPLE FROM CALCULATIONS

	A	B	C	D	E	F	G	H	I	J
1	All Factors									
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
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27										
28										
29										

FIG. 7B

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SAMPLE FROM RESULTS

Strategy Table

Company	Average	3 Com Corporation	Adams Resources & Energy, Inc.	Alcoa	Allied Waste Industries, Inc.	Amazon.com	America Online Inc.	American Express Company Corporation	Ameritrade Holding Corporation	Amsouth Bancorp.	Applied Digital Solutions
Sheet Number		1	2	3	4	5	6	7	8	9	10
Analysis		yes	yes	yes	yes	yes	yes	yes	yes	no	yes
I. Prediction											
1. Reenerg.	24.12%	40.00%	46.67%	20.00%	46.67%	23.33%	13.33%	46.67%	10.00%	N/A	6.67%
2. Adj.	48.16%	6.67%	50.00%	73.33%	33.33%	60.00%	63.33%	33.33%	36.67%	N/A	50.00%
3. Trans.	28.73%	53.33%	3.33%	6.67%	20.00%	16.67%	23.33%	20.00%	53.33%	N/A	43.33%
II. Actual											
1. Reenerg.	28.42%	11.20%	69.59%	36.64%	50.89%	13.70%	28.08%	54.92%	21.54%	N/A	10.49%
2. Adj.	46.12%	39.41%	30.41%	54.42%	49.11%	59.84%	64.42%	34.68%	28.41%	N/A	72.63%
3. Trans.	25.45%	49.38%	0.00%	8.94%	0.00%	26.45%	7.50%	10.40%	50.05%	N/A	16.88%
ABS DIFF	12.7735%	21.8318%	15.2797%	12.6095%	13.3333%	6.5230%	10.5556%	6.3980%	7.6962%	N/A	17.6375%
Correlation											
1. Reenerg.	0.65299										
2. Adj.	0.57538										
3. Trans.	0.68798										
Average	0.63876										

FIG. 8

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FIG. 9A

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Colgate-Palmolive Company															
1	26 Fortune Most Admired List														
2	ABS DIFF														
3	1. Reenerg. 2. Adj. 3. Trans.														
4	DB 4														
5	Interval														
6	Low														
7	Low														
8	Incr.														
9	N/A														
10	Medium														
11	High														
12	Medium														
13	Medium														
14	Medium														
15	Zero														
16	Low														
17	Growth Strategy														
18	60.00%														
19	450														
20	33.33%														
21	6.67%														
22	50														
23	100.00%														
24	750														
25	Interval														
26	Low														
27	High														
28	Low														
29	Low														
30	Low														
31	Low														
32	Growth Strategy														
33	58.89%														
34	148														
35	31.58%														
36	79.5														
37	9.53%														
38	24														
39	100.00%														
40	252														

42a

45c

45b

27

DB 2

Value

Interval

DB 4

1. Reenerg.

2. Adj.

3. Trans.

29

100

25

100

125

25

25

200

150

60.00%

450

33.33%

6.67%

50

100.00%

750

Low

High

Low

Low

Low

Growth Strategy

58.89%

148

31.58%

79.5

9.53%

24

100.00%

252

Interval

Low

High

Low

Low

Low

Growth Strategy

58.89%

148

31.58%

79.5

9.53%

24

100.00%

252

Interval

Low

High

Low

Low

Low

Growth Strategy

58.89%

148

31.58%

79.5

9.53%

24

100.00%

252

Interval

Low

High

Low

Low

Low

Growth Strategy

58.89%

148

31.58%

79.5

9.53%

24

100.00%

252

Interval

Low

High

Low

Low

Low

Growth Strategy

58.89%

148

31.58%

79.5

9.53%

24

100.00%

252

Interval

Low

High

Low

Low

Low

Growth Strategy

58.89%

148

31.58%

79.5

9.53%

24

100.00%

252

Interval

Low

High

Low

Low

Low

Growth Strategy

58.89%

148

31.58%

79.5

9.53%

24

100.00%

252

Interval

Low

High

Low

Low

Low

Growth Strategy

58.89%

148

31.58%

79.5

9.53%

24

100.00%

252

Interval

Low

High

Low

Low

Low

Growth Strategy

58.89%

148

31.58%

79.5

9.53%

24

100.00%

252

Interval

Low

High

Low

Low

Low

Growth Strategy

5

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FIG. 9B

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
39	DB 1															
40	45a															
41	III. Data															
42	Latest Year Data Available															
43	1999 Revenues (in mil)															
44	1998 Revenues (in mil)															
45	1997 Revenues (in mil)															
46	1996 Revenues (in mil)															
47	1999 Assets (in mil)															
48	1998 Assets (in mil)															
49	1998 Debt Outstanding (in mil)															
50	1999 Shareholder's Equity (in mil)															
51	1999 Liabilities (w/o Debt)															
52	1999 Net Cash from Oper. Activ.															
53	1999 Cash at End of Year (in mil)															
54	1999 Interest Paid															
55	Business Mix															
56	Geography Region															
57	Region1															
58	Region2															
59	Region3															
60	Region4															
61	Region5															
62	Region6															
63	Business Segment															
64	Segment1															
65	Segment2															
66	Segment3															
67	Segment4															
68	Segment5															
69	Segment6															
70	Segment7															
71	Segment8															
72	Segment9															
73	Segment10															
74																
75																
76																

42a

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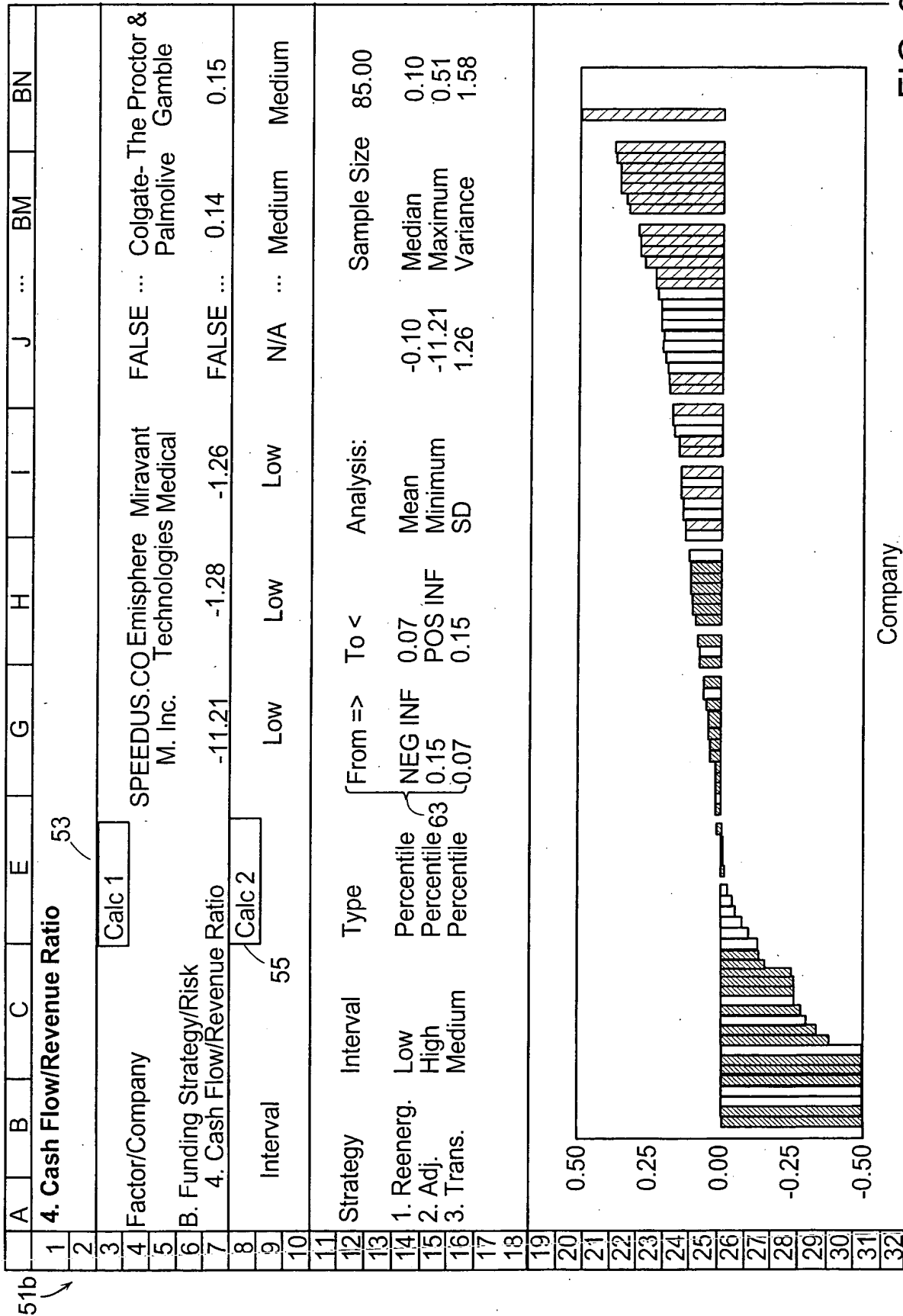


FIG. 9C

49a

All Factors

	3 Com Corporation	Adams Resources & Energy, Inc.	Colgate-Palmolive Company	Compaq Computer Corporation
	Analyze Value	Analyze Value	Analyze Value	Analyze Value
	Yes Interval	Yes Interval	Yes Interval	Yes Interval
I. Prediction				
A. Key Business Parameters				
1. Mkt Share/Revenue Ratio	-455.14%	20.47%	-37.22%	-69.67%
2. Asset Intensity (Asset/Rev Ratio)	0.78	0.07	0.81	0.71
3. Change in Profitability	-0.97%	-0.07%	1.01%	-1.70%
B. Funding Strategy / Risk				
1. Company Beta	N/A	N/A	N/A	N/A
2. Debt/Equity Ratio	0.01	0.27	1.56	0.03
3. Creditworthiness	1.50	0.03	0.14	1.31
4. Cash Flow/Revenue Ratio	0.20	0.00		0.03
C. Market				
1. Relative Market Share	0.34	0.28	0.23	High
2. Change in Market Share	-29.54%	20.96%	-0.61	Decl.
3. Relative Elasticity of Demand	3.00	2.67	2.00	Medium
II. Actual				
A. Business Structure				
1. Business Mix	102.45%	17.15%	5.64%	Low
2. Business Age	21.00	53.00	194.00	High
3. Number of Divisions	4.00	3.00	2.00	High
4. Number of SIC Industries	2.00	3.00	2.00	Low
B. Business Strategy				
1. R&D Investment	11.01%	0.00%	1.85%	Low

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FIG. 9D

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71a

	A	B	C	AC
1	Strategy Table			
2				
3				
4	Company	Average	Colgate-Palmolive Company	
5	Sheet Number		26	
6	Analyze		yes	
7				
8	I. Prediction			
9	1. Reenerg.	24.12%	60.00%	
10	2. Adj.	46.16%	33.33%	
11	3. Trans.	29.73%	6.67%	
12				
13	II. Actual	28.42%	58.89%	
14	1. Reenerg.	46.12%	31.58%	
15	2. Adj.	25.45%	9.53%	
16	3. Trans.			
17	ABS DIFF	12.7735%	1.9111%	
18				
19	Correlation			
20	1. Reenerg.	0.65299		
21	2. Adj.	0.57538		
22	3. Trans.	0.68798		
23				
24	Average	0.63878		
25				

FIG. 9E

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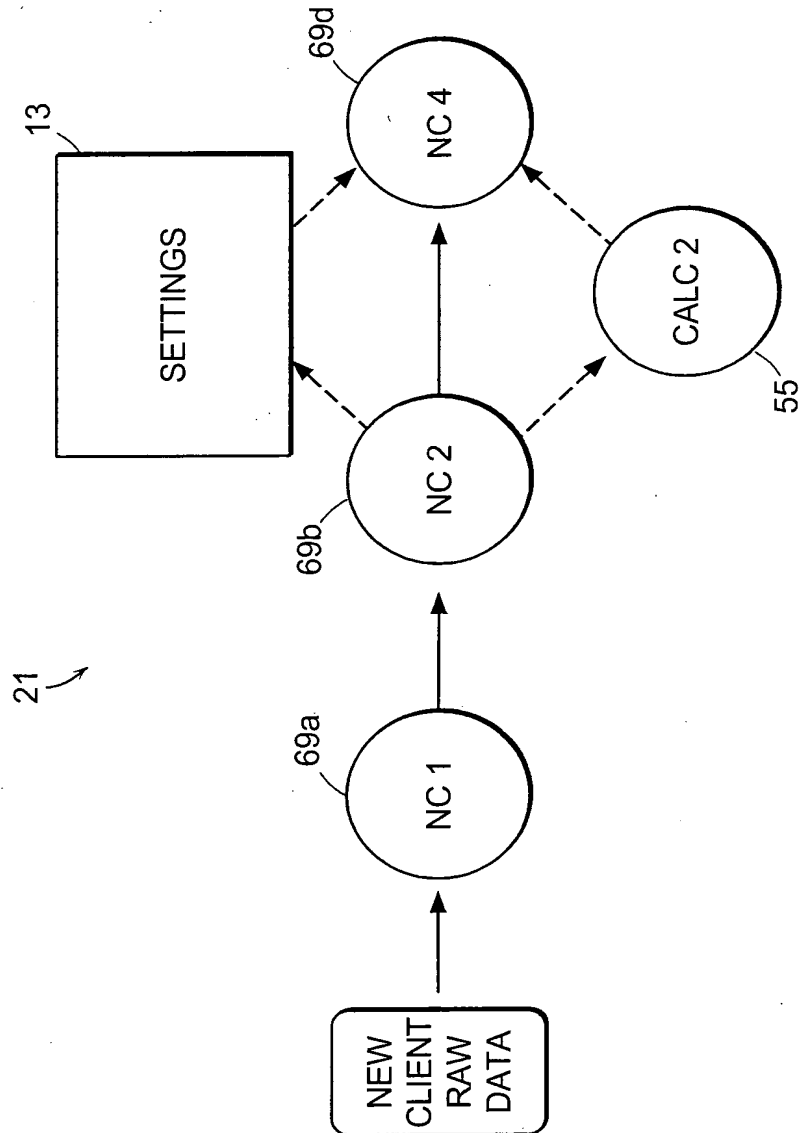


FIG. 10A

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A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P																																
"Fill In New Client Name"																"Fill in Qualifying Criteria"																															
1																69b																69c															
2																27																NC 4															
3																I. Prediction																Interval															
4																Value																1. Reenerg. 2. Adj. 3. Trans.															
5																A. Key Business Parameters																															
6																1. Mkt Share/Revenue Ratio																#DIV/0!															
7																2. Asset Intensity (Asset/Rev Ratio)																N/A															
8																3. Change in Profitability																N/A															
9																B. Funding Strategy / Risk																															
10																1. Company Beta																N/A															
11																2. Debt/Equity Ratio																N/A															
12																3. Creditworthiness																#DIV/0!															
13																4. Cash Flow/Revenue Ratio																N/A															
14																C. Market																															
15																1. Relative Market Share																N/A															
16																2. Change in Market Share																N/A															
17																3. Relative Elasticity of Demand																N/A															
18																																															
19																																															
20																																															
21																																															
22																																															
23																NC 3																															
24																II. Actual																Interval															
25																Value																1. Reenerg. 2. Adj. 3. Trans.															
26																A. Business Structure																															
27																1. Business Mix																N/A															
28																2. Business Age																N/A															
29																3. Number of Divisions																N/A															
30																4. Number of SIC Industries																N/A															
31																B. Business Strategy																															
32																1. R&D Investment																N/A															
33																2. Acquisition Strategy																															
34																3. Strategic Intent																															
35																																															
36																Growth Strategy																															
37																																															
38																																															

FIG. 10B

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	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
39	69a															
40	NC 1															
41	III. Data															
42	Latest Year Data Available															
43	0 Revenues (in mil)															
44	(1) Revenues (in mil)															
45	(2) Revenues (in mil)															
46	(3) Revenues (in mil)															
47	0 Assets (in mil)															
48	(1) Assets (in mil)															
49	0 Debt Outstanding (in mil)															
50	0 Shareholder's Equity (in mil)															
51	0 Liabilities (w/o Debt)															
52	0 Net Cash from Oper. Activ.															
53	0 Cash at End of Year (in mil)															
54	0 Interest Paid															
55	Business Mix															
56	Geography Region															
57	Region1															
58	Region2															
59	Region3															
60	Region4															
61	Region5															
62	Region6															
63	Business Segment															
64	Segment1															
65	Segment2															
66	Segment3															
67	Segment4															
68	Segment5															
69	Segment6															
70	Segment7															
71	Segment8															
72	Segment9															
73	Segment10															
74																
75																
76																

FIG. 10C